



**Maine
Dairy
Industry
Association**

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Hearing Clerk
Room 1083 South Building USDA
Washington, DC 20250

Docket # A0-14-A69, et al, DA 00-03

Subject: Comment on the Congressional mandate included in the Consolidated Appropriations Act, 2000, to reconsider the Class III and Class IV pricing formulas.

The Board of Directors of the Maine Dairy Industry Association (MDIA), an organization of approximately 431 Maine dairy producers, are in favor of the above price formula changes and encourage prompt passage of the rule.

MDIA believes it is important to consider cost of production figures in any producer pricing formula. In the Northeast, and particularly in Maine, there have been several recent cost of production studies that place the costs for producers in the \$17 and \$18 per hundredweight range. The Market Administrator has estimated an average pay price of about \$14.50 per cwt. for 2002. Our producers are currently receiving a blend price far below their costs.

Processors are provided with a make allowance to assure a return on their costs. Producers, on the other hand, receive no such guarantee.

MDIA requests passage of this rule without delay.

Respectfully submitted,

Julie-Marie R. Bickford
Executive Director
Maine Dairy Industry Association

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